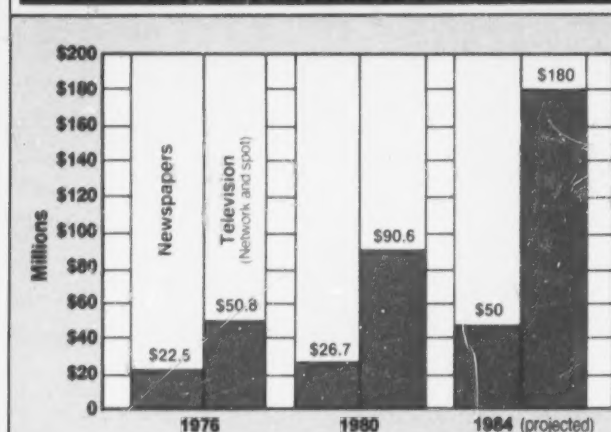


Tv's grip on political ads

Political ad spending, tv vs. newspapers



Sources: Television Bureau of Advertising, Newspaper Advertising Bureau

Newspapers actively seeking politicians' 'vote'—for ad buys

By STUART EMMRICH

NEW YORK—"The newspaper challenge... is to demonstrate that issue advertising can win elections."

That statement from a Newspaper Advertising Bureau booklet being sent to newspapers might be termed the medium's battle cry for 1984, as it moves to capture a much bigger share of the political advertising money.

In a bid to combat the clear dominance of tv in political advertising, NAB has begun a program to woo campaign operatives on the national, state and local levels (AA, Dec. 5).

Representatives of NAB made a pitch for newspaper advertising to the Republican National Committee and the Republican Congressional Committee last month, and are scheduled to bring their newspaper advertising story to the Democratic National Committee this week.

Individual presidential candidates will be approached early next year.

NAB also has prepared brochures, work kits and slide presentations that tell local newspapers what they can do to more effectively attract political advertising.

And the bureau isn't alone in its efforts. Papers as diverse as the *Eugene (Ore.) Register-Guard*, the *Tampa Tribune* and the *Kingston (N.Y.) Daily Freeman* have all started programs to attract political advertising from local candidates. They have sent out letters offering help, held seminars on political advertising, created sample ads and vigorously presented cases for newspaper advertising.

While newspaper executives around the country acknowledge there is little they can do to stop the lion's share of a candidate's ad budget from going to tv, they are determined to make sure that in

(Continued on Page 68)

'84

Marketing the Candidates

Buyout may trigger big Metromedia shift

By DIANE MERMIGAS

Top executives of Metromedia have decided to close a year of roller-coaster stock prices and fortunes with a proposed \$1.5 billion leveraged buyout that represents the largest merger/acquisition in broadcasting history.

They say being a privately held company will give them more control to expand interests in areas such as independent tv programming and cellular radio.

But the proposal offered last week by John W. Kluge, 69, Metromedia chairman-chief executive officer-president, and his three top lieutenants is being perceived by some as a possible first step toward even more dramatic developments for the Secaucus, N.J.-based company and the industry.

The offer consists of cash and notes valued at \$43.50 for each share of Metromedia stock. In a leveraged buyout, the assets of the company being acquired are used as collateral to finance the purchase.

In addition to Mr. Kluge, the prospective buyers are Robert M. Bennett, senior vp of Metromedia and president of Metromedia Broadcasting; Stuart Subotnick, senior vp-finance and administration, and George H. Duncan, senior vp-telecommunications. The four men, who will collectively contribute 4.5 million shares of their own stock to the deal, will form a corporation with Boston Ventures Limited Partnership, which specializes in buyouts.

Previously, the largest broadcasting transaction was A.H. Belo Corp.'s offer last summer of \$606 million for six tv stations owned by Dun & Bradstreet. That offer still is under review by the Federal Communications Commission.

Some industry observers believe that if the Metro-

media buyout is successful, it will spur other broadcasting companies to do the same. Companies mentioned as being ripe for similar leveraged buyouts include Storer Communications, United Television and Chris-Craft Industries.

Analysts such as Anthony Hoffman of Cralin & Co. are speculating that last week's announced buyout could be a step toward an eventual merger with a large company such as Gulf & Western Industries, Coca-Cola Co. or 20th Century-Fox.

Such a merger would be especially advantageous before the FCC lifts a rule limiting ownership of tv sta-

"The whole focus of Metromedia... will be [on] cellular radio. I think [the plan for] a fourth network will go by the wayside."

— analyst Anthony Hoffman

tions to seven—a move that would increase the market values of Metromedia's outlets. Such a merger would assure Mr. Kluge of sufficient cash reserves to follow through on his current cellular radio development.

"The whole focus of Metromedia as a private company will be to raise money for cellular radio. I think their aggressive attempt to build a fourth network will go by the wayside," Mr. Hoffman said.

Metromedia has spent between \$400,000 and \$1 million applying for each of about 50 cellular radio licenses

(Continued on Page 70)

Lauds improved regulatory climate

Helm eager for ANA work

By RICHARD L. GORDON and NANCY GIGES

NEW YORK—The presidential heir-apparent selected by the Assn. of National Advertisers, DeWitt F. Helm Jr., is a package goods executive credited with successfully taking his drug company into cosmetics, toiletries and pet care products.

The Helm choice sets the stage for the first change in the association's presidency in 23 years. ANA leaders noted that in addition to his marketing experience, he has been involved in two other trade groups, the over-the-counter drug industry's Proprietary Assn. and the Cosmetics, Toiletries & Fragrances Assn.

The selection of Mr. Helm was made late last month (AA, Dec. 5), though the official announcement by ANA chairman Robert Gold-



P. Allport

D.F. Helm Jr.

stein, vp-advertising at Procter & Gamble, was not made until last week.

Reached at ANA's Washington office last week, Mr. Helm said he has no prepared agenda and plans to spend the coming months getting to know the ANA board and membership.

"I'm fortunate to have a period of time to meet with a lot of mem-

bers and ask a lot of questions without being saddled by a lot of day-to-day questions," he said.

Mr. Helm, former president of A.H. Robins Co.'s consumer products unit, said he'll make his first appearance at an open ANA function Dec. 13 at the market research workshop in New York.

A self-described "preacher's kid," whose North Carolina and Virginia roots can be heard when he speaks, Mr. Helm praised what he called a greatly improved regulatory climate for advertisers in Washington.

"I believe in fighting when you have to fight, when the pendulum swings too far the other way," he said. "But the situation has improved."

The exec vp position was created by the board in anticipation of

(Continued on Page 70)

Ad Age going twice-weekly

CHICAGO—ADVERTISING AGE will begin twice-weekly publication next April with the introduction of a midweek edition that readers will receive in addition to the current Monday edition.

"This decision, which we've had under consideration for several years and serious study in recent months, is a natural evolution for us," said Rance Crain, editor-in-chief of Ad Age and president of Crain Communications Inc.

"There has been an enormous growth of news of immediate interest to the entire marketing community and an increasing appetite for such news among our business readers. Our move to increased frequency will enable us to respond to that and to better serve our readers."

Ad Age has been published weekly on Mondays since it was founded in 1930 by G.D. Crain Jr.

In addition to the usual strong Ad Age emphasis on delivering significant and timely news to its readers, the new midweek edition will include the Magazine section, which will move from its current home in the center of the Monday edition.

The Magazine section was established in its present format in February, 1982. It will continue to include each week an in-depth "Special Report" on

a specific marketing, advertising or media topic, plus feature articles and such popular AA columnists as James Brady and Michael Gartner.

"Our Magazine section has come to be recognized as an increasingly important part of Ad Age," said Rance Crain. "Comments from readers and advertisers, as well as our research surveys, which show more than half our readers save some of the Magazine sections for permanent reference, tell us this."

Current subscribers will receive both issues of Ad Age each week as part of their basic subscription.

"The electronic revolution, which has helped whet the business community's appetite for more and speedier information, also has made it possible for us to make transitions to respond to that need," explained Todd Fandell, editor of Ad Age. "Reporters in our major news bureaus write and transmit material from video display terminals. Their stories are edited and made into ready-to-print page forms in a matter of hours in our Chicago office."

"This speed capability allows us to step up the pace of our news coverage without inhibiting our companion mission to bring superior perspective and depth to our reporting of the 'why' of news events and trends," Mr. Fandell said.

world news roundup

CHICAGO—Beatrice Foods Co. is considering a realignment of its international agencies, following the consolidation of its domestic business (AA, Nov. 14). The decision is expected early next year.

PARIS—Tobacco and alcoholic drink marketers, banned from advertising on traditional French tv, will be able to do sponsor programs on Canal Plus, France's pay tv channel, following a decision last week. Canal Plus will start up at the end of next year.

LONDON—Atari has consolidated all its non-U.S. advertising, worth nearly \$10 million, with Doyle Dane Bernbach's London office. The account had been split between DDB, which handled games, and Young & Rubicam, which handled Atari's \$2.25 million non-U.S. computer business.

BONN—Apolinaris Brunnen, marketer of Apolinaris mineral water, will soon launch a half wine/half water beverage called Winzer Schorle in German restaurants and bars. Agency is Inex, in Koblenz.

LONDON—Gannett Co. will decide by Jan. 1 whether to pursue plans to publish a European edition of USA Today, sources here say.

MANILA—McDonald's Corp. is fighting a Loycott instigated by political and business foes of the government of President Ferdinand Marcos. A widely circulated boycott list cites McDonald's four outlets

(Continued on Page 40)

Media General renames Tanner

By STUART EMMRICH

Four months after William B. Tanner became the target of a federal investigation into possible tax fraud and bribery charges, the media services company of which he had been chairman has been re-named.

William B. Tanner Co., based in Memphis, is now Media General Broadcast Services.

The new name more clearly reflects the company's ownership by Media General and the new man-

agement team now in place at the subsidiary, according to Alan Donnahoe, vice-chairman and chief executive officer of Media General, the Richmond, Va.-based parent company.

May ease negative publicity

The name change also is expected to help the wholly owned subsidiary overcome the negative publicity prompted by the federal investigation in August (AA, Aug. 15) and to assure clients that the company is not about to close.

Mr. Donnahoe declined to attribute the name change to the federal investigation—which is not expected to reach any resolution for at least another month, according to sources—but acknowledged that “a great deal of adverse publicity” was caused by the investigation into Mr. Tanner's operations.

“This seemed the logical thing to do at this time,” Mr. Donnahoe said.

Soon after the federal investigation began, Mr. Tanner and another associate, company senior vp-treasurer Earl Funk, took what Media General described as a leave of absence to put together their defenses against possible federal charges.

Now, however, James Linen IV, who had been acting as president-chief executive officer of the subsidiary, has succeeded Mr. Tanner as chairman-chief executive officer, and L. Donald Robinson, president-ceo of Independent Television Sales, a Katz Television subsidiary, has been named president.

Although Media General has not made a public announcement on Mr. Tanner's status with the com-

pany, Mr. Donnahoe said that Mr. Tanner has resigned as chairman of the company and will act as a consultant to Media General Broadcast Services.

In discussing the changes at the company he now heads, Mr. Linen said the Media General subsidiary has not been unduly hurt by publicity that surrounded Tanner Co.

Client list intact

“We've lost some clients and we've gained some clients, but the basic client list has remained intact,” Mr. Linen said.

He did acknowledge the name change was one effective way to assure both present and future clients that the company was on solid footing.

“We wanted to make sure that there was no concern about the future viability of this company,” Mr. Linen said. “This is an important part of Media General, and the company is going to stand behind it.”

NBC lands Grossman for news

By DIANE MERMIGAS

Lawrence Grossman, president of the Public Broadcasting Service for nearly eight years and a former network ad executive, will succeed Reuven Frank as president of NBC News next May.

Mr. Grossman, 52, will leave his public tv post in February or March, when he begins a three-month transition into his new network post.

The PBS board last week immediately established a committee to find a successor.

Mr. Frank, 63, a 30-year veteran of NBC News and one of the earliest producers of network news documentaries and prime time magazines, will remain with the network as coordinator of the network's election year coverage through the summer conventions, as he earlier said he would do.

Afterwards, Mr. Frank will revert to producing news programs for the network. Mr. Frank's departure from the news presidency was anticipated (AA, Dec. 5).

Mr. Grossman was considered by many industry observers to be an unlikely replacement candidate given his heavy advertising, non-news background in broadcasting.

Grant Tinker, NBC chairman, was instrumental in the pursuit of Mr. Grossman, and explained that he was more interested “in the person than in his experience.”

Mr. Grossman worked with Mr. Tinker, Mr. Frank and NBC president Robert Mulholland while vp-advertising for the network from 1962 to 1966.

Tom Petit, exec vp-news, was passed up for the job. However, Mr. Grossman said in an interview he plans to retain Mr. Petit in his current post.

Mr. Grossman has been instrumental in making public tv more competitive with the commercial networks. He was responsible for persuading PBS stations to support the one-hour expansion of “The MacNeil/Lehrer Report,” which occurred last fall.

Affiliates 'magic'

NBC officials could be looking for Mr. Grossman to work the same kind of magic with network affiliates, who have been resisting one-hour expansion of the “NBC Nightly News” for years.

Mr. Grossman headed his own advertising and production company, Lawrence K. Grossman Inc., from 1966 until he joined PBS as president in 1976.

Mr. Grossman began his media career in 1953 on the staff of Look and joined the advertising division of CBS Television in 1956.

corrections & clarifications

• Contrary to an earlier item (AA, Dec. 5, P. 109), Richard Barthelme is the new advertising director of Gourmet.

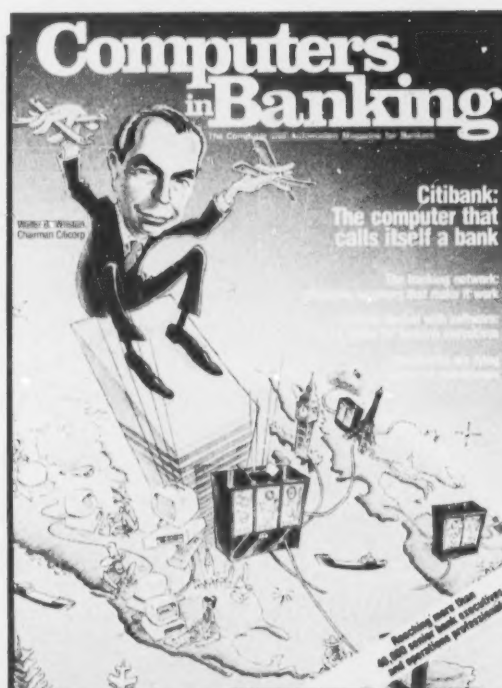
• The toy retail sales figure of \$9 billion quoted by Toy Manufacturers of America in last week's wrapup (AA, Dec. 5, P. 112) was for 1982. Latest estimates for 1983 by various industry sources put retail volume at \$10 billion or more.

• Boston Business Journal erroneously reported its ad lineage figures for October. The correct figures are: 1983-81.8, 1982-42.5, year-to-date 1983-640.4, year-to-date 1982-354.0 (AA, Nov. 21, P. 56).

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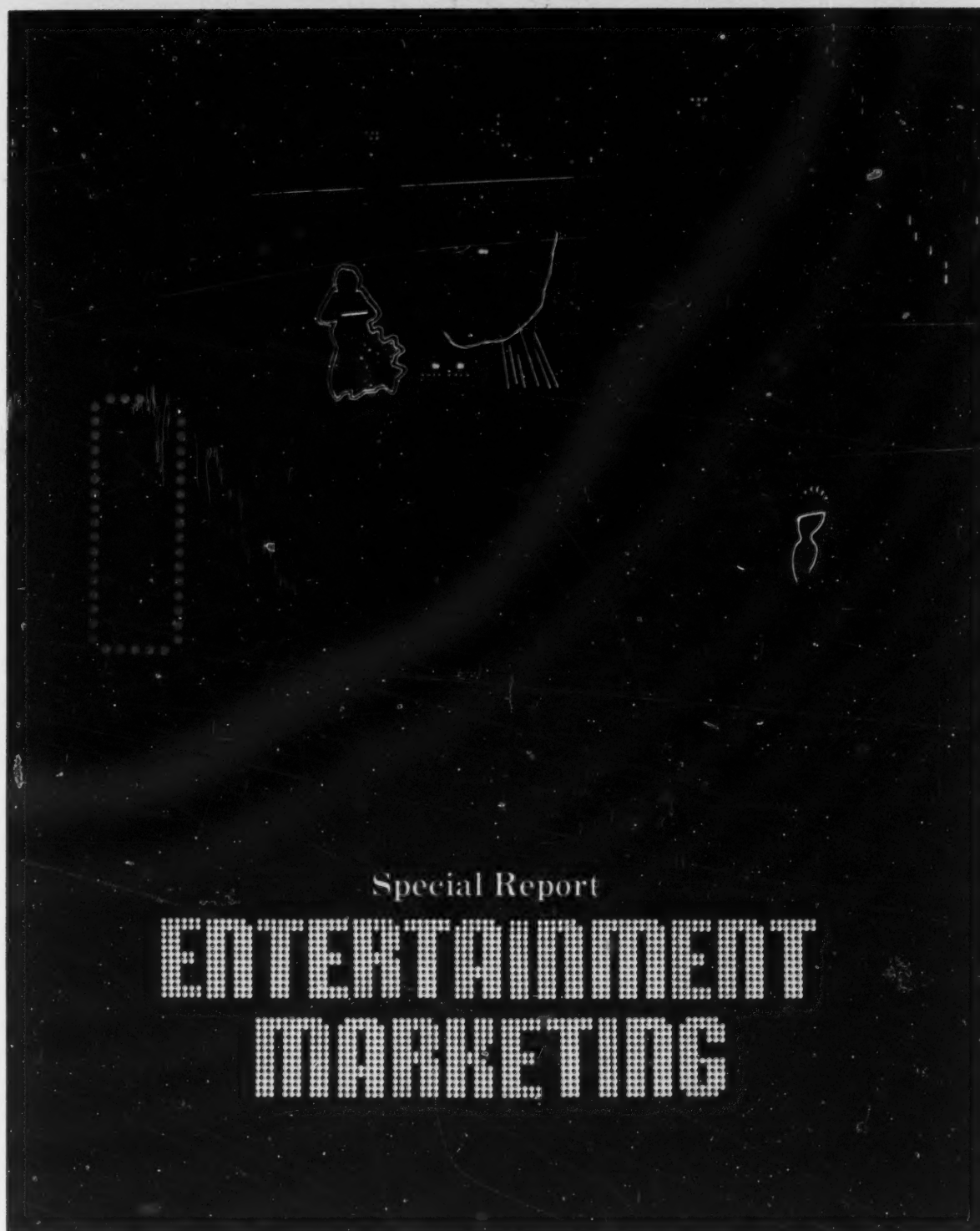
By advertising in *Wall Street Computer Review* and *Computers in Banking*, you reach the key decision makers in this industry in the most appropriate editorial environment while taking advantage of low-cost combined rates that offer major savings.



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Mary Anne Enriquez

Special Report

ENTERTAINMENT MARKETING

Stage and screen put to the test

By Louis Weisberg

At home is no longer merely a castle. It's also an amusement park.

And, as the emphasis on home entertainment options increases, so do the worries of Hollywood and Broadway producers. Indeed, while Hollywood boasts about its recent bonanzas at the box office, it is silent about the grim fact that ticket sales have shrunk from roughly 90 million per week in 1946 to 20 million today, while production costs have mushroomed to an average of \$12.8 million per picture.

True, cable and pay-tv have opened up a new market for the studios, but, like foreign films

and rereleases, income from this new source is rarely substantial enough to take a picture from the red to the black. Likewise, while much hoopla has been made about the phenomenal sales of consumer product spin-offs from movies like "E.T." and "Annie," few films offer this potential.

On the Broadway scene, the Great White Way has attracted more attention of late for the decline of its audiences than for its plays. Add to this unpleasant skyrocketing production costs—the average Broadway musical now has a pricetag of \$4.5 million—and you've got the scenario for the kind of corporate melodrama that is all too familiar these days.

So how are producers finding relief? Through beefed-up ad-

vertising campaigns and increasingly sophisticated marketing strategies. Once an ad in the *New York Times* and a few posters were all any play worth its proscenium needed. Now Broadway producers set aside 10% to 20% of their weekly box office grosses to help sell more tickets.

New Yorkers are showered by upwards of 50 tv spots a day featuring enticing glimpses of Broadway's latest hit. While Broadway ad budgets are still too small for Madison Avenue, there are several agencies in New York, such as Ash/LeDonne and Serino, Coyne & Nappi, that specialize in promoting plays.

Back in Hollywood, the growth of the advertising and marketing industry has been of nothing less than Cecil B. De-

Mille proportions. Fewer than 10 years ago, a successful film grossed roughly \$7 million. Now studios spend an average of \$6 million just on marketing a nationwide release.

"Nineteen years ago," says Steve Rose, senior vp-marketing at Paramount Pictures in New York, "there were only about three smaller agencies involved in film marketing. These first agencies were primarily creative resources. About 10 years ago, the Madison Avenue agencies realized the enormous potential revenues the movie business represented and began going Hollywood."

There are several difficulties inherent in the nature of show business that make the marketing of entertainment products unlike any other. One is that

"there is no brand loyalty to studios and producers the way there is to other manufacturers," says Richard Porter, management supervisor of J. Walter Thompson's entertainment group in Los Angeles. "Every product is entirely new and entirely on its own," he adds.

Thus, corporate image campaigns are useless, and even a successful campaign might not work for another film of the same genre.

The nemesis of show business marketing is the extremely short shelf life of the product. "A film is a retail product," says William Soady, executive vp-general sales manager at MCA/Universal Pictures, "but unlike toothpaste or pantyhose, it has only one to two weeks to convince an

(Continued on Page M-10)

Louis Weisberg is a Hollywood-based free lance writer.

Test

(Continued from Page M-9)

exhibitor to keep it on his shelf."

Computerization could be making the heat to open "hot" even greater. According to Vincent Canby of the *New York Times*, computerized bookkeeping now makes it possible "virtually from the first hour of the first day of the first engagement of any movie in any city... [to] predict what that movie will earn during the next 20 years."

Also making it harder to sell exhibitors, whom Gordon Armstrong, MCA/Universal Pictures' vp-advertising, publicity and promotion, describes as the "real customers" of movies, has been the recent passage of "antiblind" bidding laws in 22 states. "Blind bidding" refers to the Hollywood practice dating back to the 1940s of requiring theater owners to pay upfront guarantees and pledge a percentage of box office receipts for films they've never seen.

Antiblind laws mean that filmmakers have to pay for advertising—from \$2.5 million to \$3 million just to open a film—without guarantee of placement.

To ensure that a film will open strong, advertising is carefully formulated and scrupulously tested, usually more than six months in advance of an opening. Manning Rubin, president of Creative Alliance in New York, a boutique agency that has been involved in campaigns for "The Empire Strikes Back," "The Best Little Whorehouse in Texas" and "National Lampoon's Vacation," among scores of others, is sometimes brought in before shooting starts.

"We're often given only the script and a list of the stars and asked to come up with several different concept ads," Mr. Rubin explains. "The studios test different looks to find the one that positions or categorizes the picture in the best place commercially."

Market research is playing an increasingly important role in positioning. When Richard Lederer, vp-advertising at Orion Pictures, discovered through research that few people seemed to know who Somoza was, he decided to position "Under Fire," a highly politicized film about Nicaragua and the Sandinistas, as a romantic adventure. Print ads showed stars Nick Nolte and Joanna Cassidy looming larger than life over a collage of battle scenes, a la "Gone With the Wind."

Industry sources almost unanimously deny that studios consciously try to lure audiences with misleading advertising. They claim that it's word of mouth that ultimately sells tickets, and attracting the wrong audience would almost certainly create bad word of mouth.

But changing a film if test screenings reveal ways of making it more attractive is widely acknowledged. This practice can attenuate the artistic value of a film, as when actress Jacqueline Bisset's "Class" was cut, based on test screenings, into a light, teen exploitation film rather than the study of a woman's



The film industry's focus on youth pays off. Recent hits are adventures such as "The Empire Strikes Back" and comedies such as "National Lampoon's Vacation."

mid-life crisis the actress thought it would be.

Test screenings can also help increase the effectiveness of a "highbrow" film and win it larger audiences, as when "Julia" was recut, based on sample feedback, to make it stronger and less confusing.

Another "practice" the major studios deny and decry is concept testing, or testing ideas for pictures. They maintain that it is impractical, because a story is only as good as its execution. By the time a movie based on feedback from questionnaires is released, the public's tastes may have changed.

Nonetheless, some movies, such as this year's "Private School," are more inspired by researchers than muses. "Private School," produced by Barry & Enright Productions, was said to be conceived as a result of inter-

views that featured such questions as, "Would you go see a movie about a teen ager fulfilling his sexual fantasies with an older woman?"

What evolved—through what many industry observers consider an unnatural process of selection—was a standard teen sexploitation epic released by Universal Pictures. "Private School" failed to set anything but critics on fire, in spite of its meticulous inclusion of the correct smattering of jokes about breast size to please the young males and its avoidance of too much toilet and genital humor to please the young females—all as per test findings.

While the future doesn't augur well for concept testing,

other marketing techniques seem definitely in the stars for the film industry. Here are three views:

• "We're going to see more tracking studies to test public awareness of movies prior to their release and more sophisticated means of monitoring advertising effectiveness," says Sandy Reisenbach, executive vp-worldwide advertising and publicity at Warner Bros.

• "There'll be more testing of films before final releases," propnesies Steve Hayman, senior vp and director of Foote, Cone & Belding's entertainment division in Los Angeles.

• "I think we're going to see more segmentation of both media and audience in order to utilize advertising dollars most effectively," says Irv Ivers, MGM/UA's president of worldwide marketing.

The target audience for Broadway is females 24 to 40 years old, according to Jeffrey Ash, president of Ash/LeDonne. Hollywood's best supporting demographic is the 14-to-24-year-olds. "Moviegoing is a major facet of dating and young adult life," says Olen Earnest, vp-marketing research for MCA/Universal Pictures. No wonder, then, that Hollywood is focusing more and more on the youth market.

Promotions for Paramount Pictures' hits, "An Officer and a Gentleman" and "Flashdance," illustrate how effective segmentation can be, particularly for reaching that all-important youth market. Capitalizing on youth's propensity for music, Gordon Weaver, Paramount's president of marketing, played the Pied Piper and based his campaigns for "Officer" and especially "Flashdance" on the pictures' appealing songs.

"Long before we began visible marketing [of "Flashdance"] Mr. Weaver explains, "we supplied rock videos to MTV and to the growing number of shopping malls and record shops that show them—all excellent forums for reaching young people. We even supplied videos to a chain of gas stations in France and to theaters in Germany, where they are shown as short subjects."

After the music became popular, Mr. Weaver used it in creating trailers and tv and radio spots. "Up Where We Belong" and "What a Feeling," the titles of the movies' hit songs, were used as slogans in the print ads. "Coordination of all media is essential in an effective campaign," asserts Mr. Weaver.

Through Paramount's nationwide network of 42 agencies, Mr. Weaver was able to buy time on local tv and radio stations that draw a young demographic. Approximately 4,000 "Flashdance" trailers were supplied to theaters at the beginning of 1983, even though the film wasn't released until April.

Movie marketing is an aware-

ness of what's happening in the world," sums up Mr. Weaver. "I get updated profiles of 500 U.S. cities every three months. You've got to treat each market on the basis of its own unique characteristics."

More delicate handling is required for films like "On Golden Pond," "Chariots of Fire" and "The Big Chill." Although these pictures have done extremely well, nothing about them has obvious mass sales appeal. The strategy for selling films like this is to open "small" and allow time for good reviews and positive word of mouth to build. "On Golden Pond," for example, opened in December, 1981, in only one Canadian and two U.S. cities. Ad costs were thus kept down while the movie got a chance to win favorable interest. More than 1,000 prints were released in January, with print and tv ads featuring quotes from lavish reviews. By the time of the full-scale release in March, the public was primed. "On Golden Pond" went on to win several important Oscars and become a box-office champ.

Surprisingly, Broadway, which is generally considered an "artier" arena than Hollywood, is no more anxious than tinsel town to take expensive chances on long shots these days. Thus, while Hollywood plays it safe with sequels like "Jaws 3-D," Broadway does likewise, especially with blockbuster musicals and revivals.

The result has been the demise of Broadway as the center of theatrical creativity. "While Broadway will probably always be the big pot-of-gold for theater as far as making money is concerned," says Frank Levy, co-partner of the prosperous way-off-Broadway Catalina Productions in Sherman Oaks, Cal., "for developing material Broadway is obsolete. It's just too expensive."

Broadway advertising focuses primarily on tv. In 1975, Ash/LeDonne used tv spots to help turn the musical "Pippin" from a flop into a hit, and now tv is as common for Broadway shows and their road companies as Maalox in the stars' dressing rooms.

Segmentation of audience and media in promotions for plays is a recent development. "The Wiz" was advertised extensively on minority radio stations with great success. Mr. Ash, who handles all the advertising for the Schubert theaters, uses a larger proportion of his budget on radio spots for Los Angeles than New York productions. Future theater marketing will probably feature more segmenting.

While the increasing emphasis on marketing and commercial considerations affect the quality of the plays and movies of the future? "No," maintains Richard Fischhoff, president of Carson Films, whose background includes pushing for such high-quality projects as "Kramer vs. Kramer" and "The Big Chill."

"Serious projects," he says, "have traditionally had rough going. But there are always people who feel passionately enough about a worthwhile project to persevere through all the rejection and see it through." The show must go on.

Variety's top 10 rental* champs

Picture	Rentals to date
1. E.T.	\$209,323,000
2. Star Wars	\$193,500,000
3. The Empire Strikes Back	\$140,000,000
4. Jaws	\$133,435,000
5. Return of the Jedi	\$127,000,000
6. Raiders of The Lost Ark	\$115,035,000
7. Grease	\$ 96,300,000
8. Tootsie	\$ 92,960,000
9. The Exorcist	\$ 88,600,000
10. The Godfather	\$ 86,275,000

Reprinted with permission from *Weekly Variety*, July 20, 1983.
*Rental—what the exhibitor (the theater) pays to the distributor (usually the studio). Amounts to an average of 50% to 60% of gross. Gross is total box office receipts nationwide.



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ENTERTAINMENT MARKETING

42nd St. sings the blues

By Barry H. Slinker

Despite the sensational success of the boa-dripping, high-heeled men in this season's hit musical "La Cage Aux Folles," Broadway producers are faced with the prospect of another disappointing year on the Great White Way.

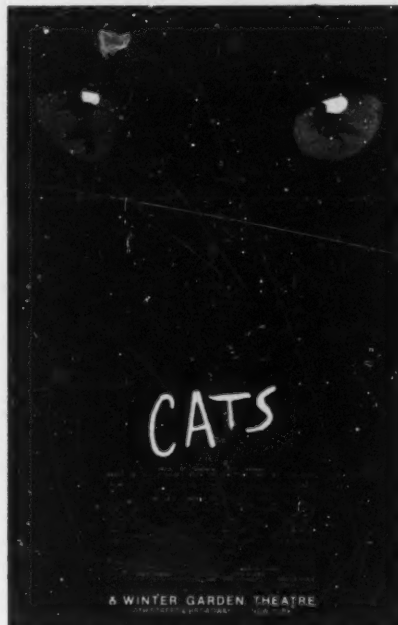
Statistics for the first 20 weeks of the 1983-84 Broadway season, combined with a skeptical forecast of the months to come, are putting producers' ability to draw customers to a severe test.

"We're not faring very well so far this year," says George Wachtel, director of research for the League of New York Theaters and Producers, the industry's trade association. Mr. Wachtel notes that for the first 20 weeks of the season, ticket sales, the chief indicator of how well the theater is doing, were down 10% from this time last year, to 2.7 million. Likewise, only seven shows have opened, seven fewer than last season. Only four of these are still running, alongside eight holdovers from last season and five survivors of

Barry H. Slinker is a New York-based free lance writer.

more than two years.

Indeed, Times Square and environs look positively gloomy, as only 17 houses out of 36 on Broadway are lit (not including



"Cats," a British musical, was Broadway's box office champ last season.

several shows in previews). And this only two years after Broadway was enjoying its biggest boom in a decade.

On the more positive side,

Broadway had hardly rolled out its carpet this year when "La Cage" proved a huge critical and popular hit, matching last season's superhit "Cats." And with the rest of Broadway riding on "La Cage's" frock-tails, theater capacity is up 15%, with 88% of all seats filled. As of the 23rd week of the season, gross receipts, at \$90 million, are also up 6% from the 1982-1983 season.

Still, producers are spinning sad stories of spiraling costs and tumbling creativity. Even the most successful producers shun optimism.

For instance, Francine LeFrak has co-produced such recent hits as "Crimes of the Heart," "Nine" and "My One and Only," but she readily points out that "the economics of Broadway are crazy." She and other producers bemoan the cost of mounting musicals, which has risen to more than \$4 million; even dramatic plays can cost several million. Meanwhile, ticket prices have soared to an average of almost \$30, including discounted tickets, compared with only \$8.33 a decade ago. The American theater, which Wolcott Gibbs once called "the aspirin of the middle classes," today costs more like a session

Carr

(Continued from Page M-18)

Mr. Carr wasn't through yet with "Tommy." He sent out each of the film's stars solo to promote the film in different territories. When Mr. Carr was finished, "Tommy" ended up breaking house records in 90% of the venues it played.

After "Tommy," movie companies weren't throwing up their arms any longer. They were throwing open their doors, crying for Mr. Carr to do promotional work for them.

But he could not be bought. For no fee (you read correctly—zip), he consented to assist the producers in promoting "The Deer Hunter," a grim saga about the Vietnam experience that starred Meryl Streep and Robert De Niro. "Lord Delfont [a prominent British film producer] personally called and asked me to help," remembers the humble Mr. Carr.

The producers pegged "The Deer Hunter" as a "hard sell" that could result in one big bundle of money being lost.

Not to worry. Mr. Carr arranged for some very important private screenings of the film in major markets, just to get a little word of mouth going, you know. He then recommended that the movie open for one week only at a small theater in New York and a big one in Los Angeles.

The movie would play for a week in late December to qualify for Academy Award considera-

tion. It would be a one-week run and out, figured Mr. Carr.

"I knew they'd kill each other trying to get in in New York," says Mr. Carr. "I wanted to get the movie talked up on the cocktail circuit in New York. It worked. In Los Angeles, they added midnight showings for the week it played. There was incredible demand to see the movie."

Mr. Carr and the producers prepared to wait for the Academy Award nomination announcements in early February. Mr. Carr confidently predicted "Deer Hunter" would get multiple nominations.

Sure enough, the film picked up the nominations. "The Deer Hunter" opened nationally the week the nominations came out and eventually became a financial success.

Mr. Carr's involvement with "Deer Hunter," however, went further. He designed a series of ads to attract different segments as the weeks wore on. There were ads to pull in the female romantics and the Clint Eastwood action crowds, among others.

Mr. Carr's track record leaves little doubt that he knows something about promoting a Hollywood product. "The biggest mistake that's still made in promoting movies," says Mr. Carr, "is misjudging a movie's audience. Producers still assume they know more than they really do. And there's no substitute for creating an aura of excitement when you're advertising a

movie."

He also believes many movies bomb because producers and distributors don't give enough attention to the timing of a movie's release. Good movies get lost too often, says Mr. Carr, when they're released at the end of a big season with a lot of mediocre junk. "They get buried in the shuffle," he says.

Putting his Hollywood expertise aside, Mr. Carr marched into uncharted territory last summer when he opened "Cage" on Broadway.

"Cage" went into rehearsal late last spring as an unknown quantity. The show had plenty of name talent working on it—including Jerry ("Hello Dolly") Herman composing the score, Arthur ("Gypsy") Laurents directing and Harvey ("Torch Song Trilogy") Fierstein writing the book.

Talent alone, however, wouldn't make "Cage" work. "It had to be an event," adds Mr. Carr. "People don't pay \$35 or \$45 for nothing. They expect to see an event." His first time out on Broadway, Mr. Carr really never had to test his promotional mettle.

Before the show's out-of-town tryout in Boston, Mr. Carr printed up a few bus cards and unveiled a big sign in New York's Grand Central station with the colorful "Cage" logo—a chorus "girl" swathed in a red feather boa. An anchor tattoo decorated one arm suggestively thrown forward.

"We did spend many weeks

with a Park Avenue psychiatrist.

These economic problems are compounded by a dearth of good writers and directors working for Broadway. They appear to have fled the high-stakes gamble of spending months or even years on a play only to have it close opening night.

Jeffrey Ash, president of Ash/LeDonne, an entertainment advertising agency, says his hopes for a better Broadway

"These people can get so much more upfront money from television and films."

While these problems nag producers, marketing strategies are constantly being tested to broaden and entice the theater-going public.

And whereas in the past producers would advertise by running just a big quote ad in a New York paper, the emphasis today is definitely on tv.

"A good commercial is essential," says Ms. Gordon, who believes tv is the most important aspect of marketing a show.

Mr. Ash, while concurring with Ms. Gordon, says he believes that the most crucial aspect in Broadway advertising is creating a strong over-all campaign.

Says Mr. Ash, "Producers' budgets can't compete with the Burger Kings and Fords, so they

If there's one thing producers want to capture on tv, it's the razzle dazzle in a play or musical.

have to take advantage of every penny." To Mr. Ash, this means tying together the campaigns for

tv, radio, print and posters, thus letting each medium reinforce the other.

Because the theater is mostly a visual medium, Mr. Ash says, tv is its best showcase. And if there's one thing producers want to capture on tv, it's the razzle dazzle in a play or musical. The advertiser's trick is putting that dazzle in a 30- or 60-second spot, which preferably is then broadcast several weeks before the show opens in New York. The object is to build a heady advance sale and create a buffer to possibly indifferent or even hostile reviews.

Ash/LeDonne typically creates tv spots while the shows are out of town, then has them ready when the box office opens in New York. The agency's suc-

cessful spot for "La Cage" was a special case.

"With 'La Cage,' we went to Boston to film a spot just for the Boston market," recounts Mr. Ash. "We filmed only the chorus' legs and wigs because the costumes and sets weren't even complete." But the spot proved so successful that it was shown in New York, where an advertising blitz and favorable word-of-mouth messages sent advance sales of tickets soaring.

Normally, a profusion of tv spots doesn't pay off directly in terms of ticket sales. Rather, it is the producers' hope that they will spur enough initial business to create the kind of word of mouth necessary to keep a show running. But the failure of a re-

(Continued on Page M-22)

Times Square and environs look gloomy, as only 17 houses out of 36 on Broadway are lit... two years after enjoying its biggest boom in a decade.

season were dashed because "it seems there's still a lack of good product."

To Judy Gordon, co-producer of "Barnum," a hit musical of several seasons back, the need for more talented writers and directors poses an even more crucial problem for Broadway's future than do high costs. "The talent just hasn't been developed for the theater," she says.

making sure we were happy with that logo," says Mr. Carr. "That's something we knew we would have to live with for a long time."

When "Cage" opened in Boston, Mr. Carr didn't have to worry a second longer about promoting the show into an event. "We saw those ultraconservative Bostonians jumping to their feet to applaud 'Cage,'" says Mr. Carr, "and we knew this was going to be big."

Magazines and newspapers called, wanting to do features on the show. RCA Records asked to record the cast album before the show opened. Mr. Carr consented, and the album hit the streets three days before its Broadway opening.

Aside from the free promotional fallout generated by the show's hit status, Mr. Carr is spending money only for weekly print ads in New York papers.

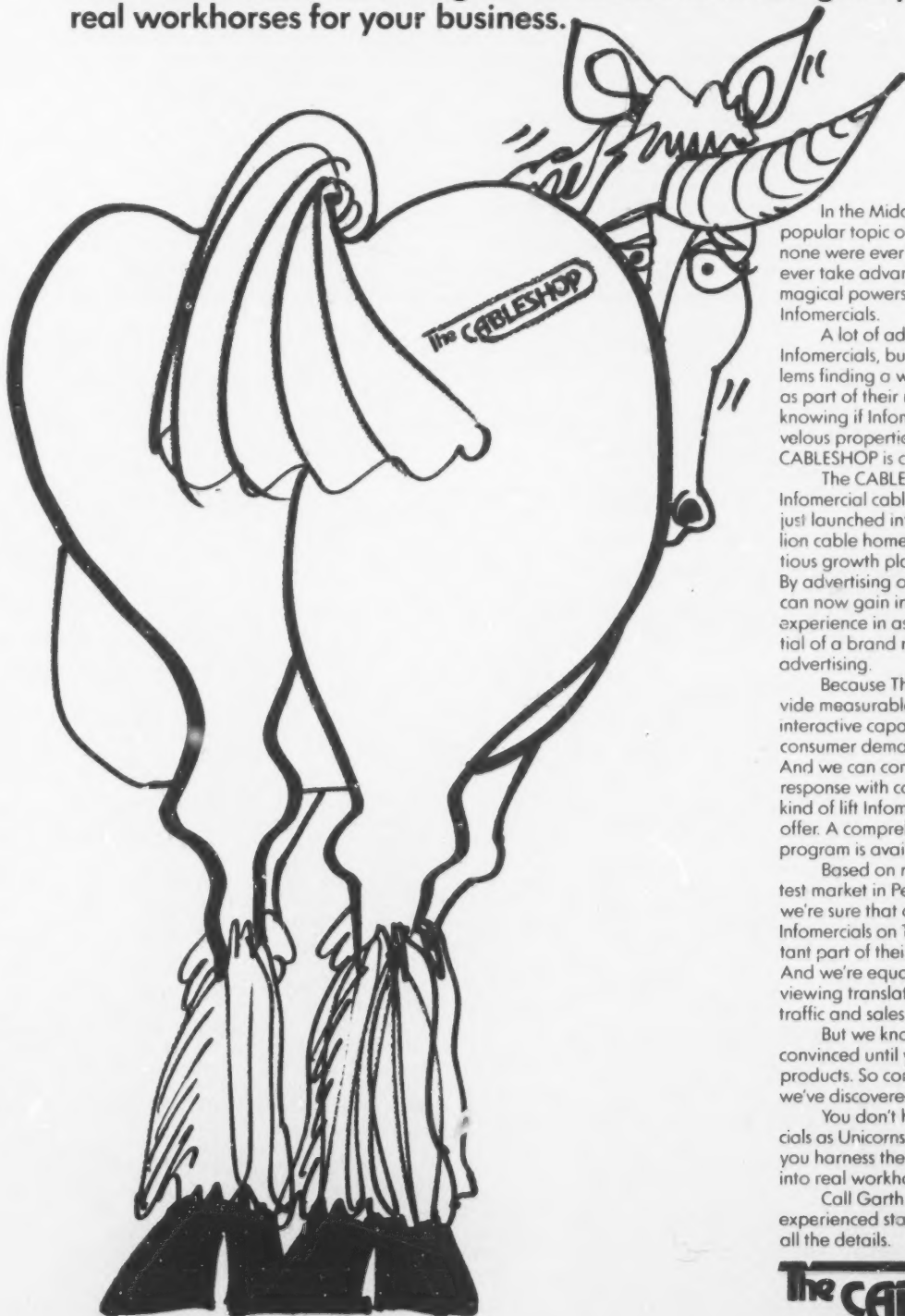
A slew of "La Cage" promotional tie-in products aren't planned. (There'll be no toilet paper, although it was suggested to Mr. Carr.)

Even though the dough is rolling in from "Cage" faster than he can count it, Mr. Carr says he has no intention of retiring from show business.

"I made enough money off of 'Grease,' to retire, if I'd wanted to," says Mr. Carr. Humbly. No, retirement isn't what he wants. He wants more hits. More events. More of anything that he can promote like crazy to a populace starved for entertainment.

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Based on results of our nine-month test market in Peabody, Massachusetts, we're sure that consumers will make the Infomercials on The CABLESHOP an important part of their television viewing habits. And we're equally certain that consumer viewing translates into increased retail traffic and sales.

But we know you won't be fully convinced until you try it for your own products. So come on and discover what we've discovered.

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A jug of wine, a loaf of bread, a Fifth of Beethoven

Outdoor concerts are a breath of fresh air for music lovers

By Mark Liff

You'd think an outdoor classical music concert on a sultry summer evening in an idyllic suburban setting would need no special promotion. For the most part, these performances do sell themselves.

Two of the better known outdoor music concerts, the Ravinia Festival in Highland Park, Ill., and the Tanglewood music festival in Lenox, Mass., draw crowds of classical music lovers (and avid picknickers) each year.

Each festival's setting is appealing, but each has its own way of being heard.

Ravinia, with its marketing efforts, leaves nothing to chance; the Boston Symphony Orchestra's Tanglewood festival in the picturesque Massachusetts Berkshires believes that the opportunity to unwind in sylvan surroundings with the sound of live classical music is enough of a selling point.

Ravinia offers discount cou-

Mark Liff is a New York-based free lance writer who claims music sounds best under the stars.

pon books for its outdoor music series; there are special buses from the downtown business district and northern points to

Selling the 12-week Ravinia summer season is more. It also includes mail distribution of flyers, a print effort and a television and radio advertising campaign.

make the trip a bit easier to the suburban Chicago site; park-and-ride service drops off music lovers at its gates.

But selling the 12-week Ravinia summer season is more. It also includes mail distribution of flyers, a print effort and a tv and radio advertising campaign prepared with the assistance of its

advertising consultant, Leo Burnett USA.

Also, working with Foote, Cone & Belding's research department and nearby Northwestern University, Ravinia is conducting a computerized anal-

ysis of its audience demographics and interests.

Tanglewood has attracted more than 300,000 music lovers in each of the past two years for its nine-week season. The festival spends nearly all of its \$230,000 annual promotion budget on print ads and 400,000 flyers, which are mailed to those who inquire about upcoming events and distributed to inns,



Concertgoers at Ravinia have a choice of seating: Reserved seats in the pavilion or blankets on the lawn.

hotels and shops in the community. "You come [to Tanglewood] to find the Boston Symphony in a magnificent setting, performing great music," says Vern Gold, promotion coordinator for the

says. There also is a radio ad campaign.

The first ads list the complete summer series. "Many of the people are serious music lovers and that [print ads] is how they find out about our program," Ms. Gold says. "Many tickets are sold through the mail. We've had several concerts sold out completely in advance last summer—that was through advertising."

The first ads run the entire program so the potential audience member can plan ahead, Ms. Gold says. When the summer season begins in July, the *Berkshire Eagle*, the area's major paper, runs ads listing programs.

Also, Tanglewood prints 400,000 brochures, which are distributed throughout New England—in shops, inns and other places where tourists might stop, Ms. Gold says. "We mail 45,000 of them to 'Friends of Tanglewood,' the festival's contributors who have an opportunity to purchase tickets before they go on sale to the general public," she adds. Brochures also are sent to anyone who requests one.

Though attendance has stead-

42nd St.

(Continued from Page M-21)

vival of "Mame" this fall points out the fallibility of even the most heavily advertised venture.

"Mame" producer Mitch

Leigh saturated the New York tv market as many as 50 times a day for three to five days a week well before opening night. But negative reviews and mediocre word of mouth closed "Mame" within weeks of its opening.

On the other hand, Mr. Ash

successfully kept the musical "On Your Toes" running despite its being all but panned by Frank Rich, the *New York Times*' powerful theater critic. Aided by good word of mouth, the advertiser sought to attract dance aficionados, as well normal theatergoers, keying ads on the show's star, ballerina Natalia Marakova, and on the famous "Slaughter on Tenth Avenue" ballet sequence.

The importance of getting a quick jump on attracting ticket buyers prompts many producers to rely on revivals and British imports—with no guarantee of success. Then what is it that best sells a show? A star name? A list of critics' raves?

A star name is not always a bankable commodity. The two shows (both revivals) that have already closed this season boasted big names—Ms. Lansbury in "Mame" and Cicely Tyson in "The Corn Is Green." And last season, the publicists' dream cast—Elizabeth Taylor and Richard Burton—in a revival of Noel Coward's "Private Lives" did little to prevent it from dying at the box office.

As Mr. Ash says, "In the end you have to have good product—that's the crux."

But Ms. Gordon believes that Lansbury, Tyson and perhaps even Taylor are no longer the type of stars that will draw the increasingly young Broadway audience.

Today, nearly 50% of theatergoers are 35 years old or younger. Mr. Gordon says it's such actors as Dustin Hoffman (who will star in a revival of "Death of a Salesman" later this season)

and Al Pacino (now appearing in "American Buffalo") who are the sure-draws.

Likewise, while every producer can name a play that died despite critical raves or thrived despite terrible notices, they do not slight the power of the pen. Mr. Ash even goes further. "Despite whatever else happens with a show, in 90% of cases the *New York Times* review is critical in determining success or failure," he says.

Warner Bros. and "My One and Only" with Paramount, sees Broadway as a natural source for moviemakers. "I went to 'My One and Only' last night, and there were so many Hollywood business people there it wasn't to be believed," she says.

MCA/Universal Pictures, one of the backers of the new musical "Doonesbury," has instructed Ash/LeDonne to film a two-minute promotion to run in New York area movie houses and per-

HE MEANS BUSINESS

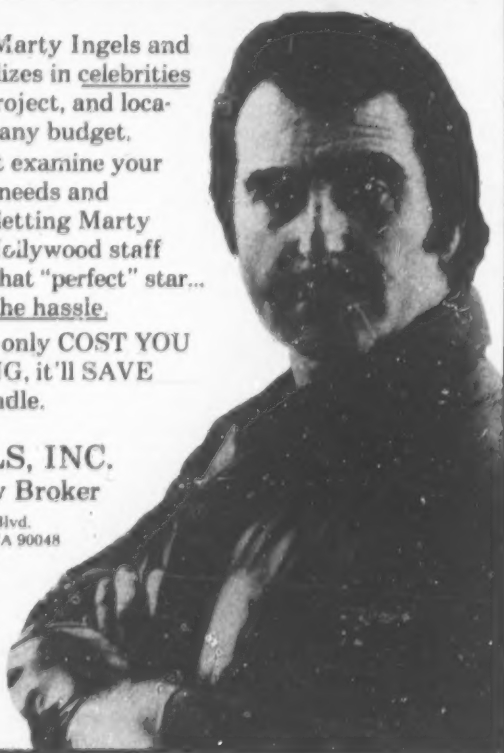
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The top 10 longest running Broadway shows*

Show	Performances
1. A Chorus Line	3,473**
2. Grease	3,388
3. Fiddler on the Roof	3,242
4. Life with Father	3,224
5. Tobacco Road	3,182
6. Hello Dolly	2,844
7. My Fair Lady	2,717
8. Annie	2,377
9. Man of La Mancha	2,328
10. Abie's Irish Rose	2,327

* As of Dec. 11, 1983

** Still running

Source: League of New York Theatres and Producers

Before fretting about reviews, producers first have to line up backers for their multi-million-dollar extravaganzas. Rising costs have ended the days of "angels" putting up a few thousand dollars to back a new show. Fortunately, Hollywood has come to the rescue in search of product to film, and movie studios are co-producing more and more Broadway shows.

Ms. LeFrak, who co-produced "Crimes of the Heart," with

happens on airlines bound for New York.

Producers' attempts at advertising on cable and public tv have proved less fruitful.

According to Ms. LeFrak, the pioneering public tv spots were dropped because "we couldn't judge their effectiveness." And producers have backed away from cable, too, because of residual payments, which are made on a different scale than network tv, thus raising costs.

ily gone up, Tanglewood faces some competition from the Saratoga Music Festival, on the other side of the Berkshires in New York State. "That would take more of the New York crowd now," Ms. Gold points out.

Still, she maintains, there is no real competition with Saratoga for the serious music lovers—there are enough to go around, it seems.

"We would like to have enough money to increase the advertising budget where we could possibly do some television advertising," Ms. Gold says. "We could possibly reach a different audience, a broader audience with a wider range."

Tv advertising also could serve as a "backup for print advertising, too," she adds.

Rock and country music concerts also are held at Tanglewood, but these are presented by a promoter who contracts with the festival site. "It is a big seller that goes back to the early '70s," Ms. Gold says.

Tanglewood itself does not offer any special promotions or tie-ins with lodging services. Tourists are referred to the "Berkshires Vacation Guide," published by the Berkshires Hills Conference, to find housing during the music season. Inns, hotels, motels and even private homes for miles are packed throughout the Berkshires, with reservations necessary months in advance.

By comparison, Ravinia is more a "commuter" festival, drawing a large part of its audience from the Chicago area. As such, it does other things to get the music lover into the suburban park, including the park-and-ride and special bus services; the Chicago & North Western Transportation Co. also runs trains to Ravinia's west gate.

Unlike Tanglewood, Ravinia also has a coordinated tourist program, featuring tie-ins with various hotels. The Ambassador East Hotel in Chicago, for example, offered a \$196 per couple deal last year, featuring two nights deluxe accommodations, Ravinia Pavilion seats for a night, wine and cheese tray on arrival and full breakfast each day.

The Hyatt Lincolnwood in that Chicago suburb offered a \$49 single (\$59 double) package, with deluxe accommodations for one night. There also was a blanket for a Ravinia picnic and lawn admissions tickets.

But key to Ravinia's current promotional effort is its audience survey.

"Similar questionnaires were distributed on carefully selected performance evenings to the festival's lawn audience [general admission] in 1982 and to the pavilion audience [reserved seats in the open-air pavilion] in 1983," a Ravinia spokesman says. "The objective was to gather the needed information to form an objective base of data on Ravinia's audiences."

The survey examined the au-

dience demographics, the decision-making process in purchasing tickets, when the decision was made, where the audience member found out about the performance, advertising awareness, factors influencing the decision to attend and audience behavior.

Ravinia's print ads run in the Chicago dailies and in the surrounding communities, depending on the performance being sold, the spokesman says. Tv spots are 10 seconds and 30 seconds in length that "span the season from [James] Levine to [Pinchas] Zuckerman," the spokesman says. Print ads also ran last year in *The New Yorker*.

Viewers are directed to call R-A-V-I-N-I-A, a special phone num-

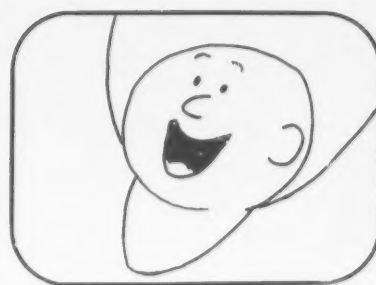
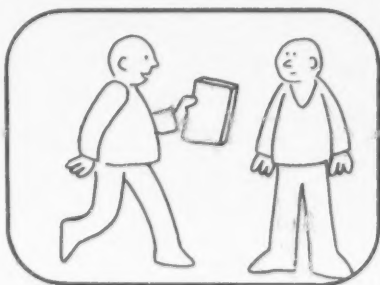
ber, to charge tickets. The phone system has been increased in recent years to handle a larger audience. There also are various mailings throughout the year.

One of the most popular marketing techniques Ravinia claims to have initiated—and now sees copied elsewhere—is its coupon book offering a 20% discount.

More than 1,000 volunteers in 75 communities throughout the area sell these \$25 books for \$20, giving potential customers a chance to essentially work up their own subscription series. Discount books also are available in banks and shopping malls.

It all makes listening to music under the stars that much more worthwhile.

Before you can get it on film, you have to get it on paper.



Creating Effective TV Commercials by Huntley Baldwin can help you do both. And do it right. Baldwin takes you through the entire commercial creation process, from first assignment to final assessment, with the insight gained only by a person who has been through the process again and again.

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Creating Effective TV Commercials is must reading for any copywriter, art director, account executive, or advertiser. It's the result of Huntley Baldwin's 16 years in the agency business as writer, associate creative director, and, finally, creative director and senior vice president at Leo Burnett USA.

It's a book you cannot afford to be without. Order your copy today. Only \$24.95



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Yes, please send me: _____ copy(ies) of "Creating Effective TV Commercials" (CB049) at just \$24.95 each plus shipping and handling charges of \$2.50 for one copy and \$1.50 for each additional copy. I may read the book for 15 days, and if not satisfied I can return it for a full refund of my money or cancellation of my invoice.

- ☐ Bill me later, including shipping and handling.
☐ I prefer to pay now. My check or money order is enclosed. (Illinois residents add 6% sales tax, Chicago residents add 7%.)

Name _____
 Title _____
 Company _____
 Address _____
 City _____ State _____ Zip _____



Actor George Hearn, dressed to kill, co-stars in "La Cage aux Folles."

Meanwhile, no one's yet given up on the current season. Producers are crossing their fingers in hopes of more hits on the order of "La Cage" that might spark a creative and financial resurgence.

Possible contenders include such musicals as "The Rink," starring Liza Minelli, and "Going Hollywood," a remake of the Kaufman/Hart play "Once in a Lifetime." Hopes are highest for a nonmusical British import, "Noises Off."

In the meantime, the sound of sharpening knives is heard as the tough New York audience awaits.

Politics

(Continued from Page 3)

next year's elections, daily papers do a better job of snaring a significant portion of that money.

"This is something we are keenly interested in," says Hank Dain, NAB's director of political advertising.

"The committee [that sets bureau priorities] felt there was a real void here that had to be filled."

In moving to fill that void, newspapers are bucking a strong trend favoring tv.

In 1976, political candidates spent \$50.8 million on tv advertising, more than twice the amount they put into newspapers. In 1980 that spread grew: The \$90.6 million spent on air time for tv commercials by candidates represented more than three times the total attracted by newspapers.

Newspapers lag badly

While Mr. Dain said he expects that the bureau's efforts will help newspapers attract approximately \$50 million in political advertising in 1984, he acknowledged that newspapers will still lag far behind tv. (The Television Bureau of Advertising is projecting that tv will get \$180 million in political advertising next year.)

So far, the bureau's efforts have been encouraging, Mr. Dain asserted, explaining that the Republican national committees were especially interested in the "one order/one bill" system that allows national candidates to place an ad in any paper in the country through the NAB.

In 1980, President Reagan spent \$2 million on newspaper advertising through the one order/one bill method.

The Republicans also were pleased that newspapers were switching to Standard Advertising Units, a change that makes it easier for national advertisers to place the same ad in a variety of newspapers, he said.

In Iowa, where the eight Democratic candidates are now slugging it out in a crucial party caucus campaign, the *Des Moines Register* is trying to make sure that the pattern of previous elections—where almost all of the candidates' adver-

tising dollars went to tv and radio—isn't repeated in 1984.

"We are more aggressive than we have ever been in going after political advertising," said Charles Edwards, advertising director of the *Register*.

The paper started working early this year on attracting political advertising. It is contacting the local and national offices of the various candidates, has been holding seminars on newspaper advertising and sending out brochures and sales materials on the newspaper and its readership.

The paper also is sponsoring a debate among the Democratic candidates Feb. 11, and is publishing a special tabloid section on the upcoming caucus the next day.

Advertising in that tabloid is "pretty much a must for candidates who want to reach our voters," Mr. Edwards said.

Another paper said to be gearing up for the 1984 elections is *USA Today*, which as a national newspaper may be in a unique position to attract political advertising.

In trying to compete with tv in the upcoming elections, however, newspapers face the problem of a crowded and quick primary season, two factors that increase the necessity for grabbing the voters' attention.

"Newspapers are good when you want to discuss the issues in a campaign, but newspapers can't do what tv does, and that is to show the candidate as a person, to show how he looks, how he sounds, how he comes across to people. And that, in the end, is going to elect a candidate," said Raymond Strother, media consultant to Sen. Gary Hart (D., Colo.).

Candidates are increasingly relying on the "emotional effects of tv" to get across a certain image to the voters, NAB's booklet acknowledges, and "a lot more than image is needed to elect a candidate," Mr. Dain points out. "You have to get the facts across about the various issues in the race, and you have to provide real logic as to why a candidate should be elected. That's where newspapers come in," he said.

The NAB suggests that newspapers can also compete with tv for "image" advertising by convincing candidates to run high-frequency,

small-space ads that can act as reinforcement for more in-depth issue advertising.

In the upcoming Democratic presidential primaries—which because of the wide field of candidates will generate more advertising dollars than the Republican race—newspapers also have to overcome a belief by some media consultants that the print medium is not cost-efficient in reaching Democrats.

Although a 1981 survey by Simmons Market Research Bureau found that newspapers are read by 72% of people who voted in the last political election, another survey by Market Opinion Research indicated that those voters are more than likely Republicans.

The survey by MOR showed that 64% of the people who identified themselves as Republicans said they read campaign stories in their newspapers almost every day, while only 55% of the people who called themselves Democrats said they did so.

Gillette departure stuns ATW

(Continued from Page 2)

tising to Women's former chairman was involved in federal court earlier this year... events surrounding that proceeding had led to a strain in the client/agency relationship.

For beleaguered ATW, last week's news only confirmed that 1983 has been a very bad year.

In addition to its chairman's run-in with the law, the agency lost the \$3 million Minnetonka account, although not as a result of the tax charges. Unable to resolve what were described as mounting differences over creative philosophy and execution, the two split last August.

Creative satisfactory

As recently as October, Gillette said it would stick by ATW, despite Mr. Ernst's tax problems. Sources close to Gillette said the brand groups were satisfied with ATW's creative work, particularly for the new Body Flowers drive.

"If they gave them Body Flowers, they were clearly happy with them," said Smith Barney analyst Jack Salzman. "That is potentially a very big introduction for them."

As such, speculation mounted that last week's decision came from someone high up in the corporation. However, a Gillette spokesperson denied those reports, saying, "When something like this

Ethical ads in politics asked

WASHINGTON—American Assn. of Advertising Agencies president Len Matthews challenged a roomful of political advertising experts Dec. 9 to join the ad industry in a collective effort to improve the ethics of the 1984 campaigns.

Asserting that many people believe ethics hit a new low during the 1982 congressional campaign, Mr. Matthews told the bipartisan group that only labor leaders and car salesmen ranked below advertising executives and politicians in a July Gallup study of the public's view of various professions.

"The best way for politicians to move up that Gallup poll in public credibility is to act more responsibly and ethically," Mr. Matthews said. He explained that the Four A's is concerned about what unethical and misleading political advertising does to the public's image of advertising generally.

Charles Adams, Four A's exec vp, outlined the six-point Code of Ethics for Political Campaign Advertising, adopted by the association in 1982 and listing specific practices that are considered unfair.

The code also specifies that the advertising agency must stand as an independent judge of fair campaign practices.

Sharing the platform with Four A's leaders were Paul Kirk, treasurer, Democratic National Committee; William Greener, communications director, Republican National Committee; Dorothy Ridings, president, League of Women Voters, and Nicholas Lemann, national correspondent, *Atlantic*.

happens, somebody higher up may be informed, but this was a divisional, Gillette North America decision. The personal care division was the client, ATW was the agency and it all resulted from a review of client/agency relations."

Longtime Gillette watchers say the company simply would not allow its reputation to be soiled through an association with Mr. Ernst.

What remains unclear is whether Gillette's exit will encourage other clients to follow suit. The loss leaves ATW with a scant list of clients: Charles of the Ritz, *Good Housekeeping*, National Coffee Assn. and G.D. Searle & Co. consumer products unit.

Laurie Wright, new-products director at Searle's consumer products unit, confirmed that ATW currently is working on some Searle assignments, and said there is no consideration of dropping the agency from its roster. The Skokie, Ill.-based company splits its consumer unit new-product projects between ATW and Cunningham & Walsh, Chicago.

According to a spokesman for National Coffee Assn.—now ATW's biggest client, spending \$20 million-plus—there are no plans to leave or review its account.

Robert Miller, Charles of the Ritz Group president, said: "No, we're not planning to split. They

continue to be our agency." According to Leading National Advertisers, Charles of the Ritz spent \$10.8 million, excluding newspapers, last year through ATW.

Jack Siegrist, promotion director, *Good Housekeeping*, also said no agency review is planned. In 1982, *Good Housekeeping* spent \$300,000 in advertising, according to LNA.

Whatever the future of Advertising to Women, one thing is clear: The Gillette reassignment comes at a time when the personal care division—particularly some of the brands handled by ATW—could use a marketing transfusion.

Gillette's personal care division swung into the 1980s on the highly successful launches of Dry Idea deodorant/antiperspirant and Silkience haircare products.

They were followed in 1981 by Aapri apricot facial scrub, whose sales surprised even Gillette. In less than a year, Aapri managed to snare 9% of the \$133 million facial cleanser market, and Wall Street embraced Gillette as one of the hottest new-product performers.

Since then, however, the division has had some disappointments, most notably Silkience's share erosion—from 3.6% in shampoo to 3% and from 6% to 4.3% in conditioners over the past year—and FOHO's inability to generate consumer interest.

"FOHO and Silkience are waning brands," said Salomon Bros.' Diana Temple. "In hindsight, the positioning of FOHO as a concept did not have as much appeal as Gillette had predicted. I think they will wait it out on that one to see how Revlon's and Lever Bros.' new products do." (Revlon early next year will introduce Hair's Daily Requirement, and Lever is rolling out Dimension shampoo.)

Silkience revamp seen

As for Silkience, Young & Rubicam is expected to overhaul the brand as it did Right Guard deodorant. Indeed, Y&R's work on Right Guard, which over the years had slipped from being a household favorite to an also-ran, clearly led to its latest assignments.

Analysts also said Gillette may drop the Silkience skincare offshoots, which have not matched the success of the original hair line.

"Plus," said Smith Barney's Mr. Salzman, "they made a mistake by pulling back support on the original Silkience hair products. They thought the advertising for the skin [lotion] could carry both."

This story was written by reporter Gay Jervy, with contributions from senior reporters Pat Sloan and Christy Marshall.

High Court eyes cost of time

WASHINGTON—The U.S. Supreme Court last week asked the Reagan Administration to say whether it believes states or only the federal government can control the rates charged by radio and tv stations for political ads.

The justices are debating whether to review a Texas law, struck down by the lower courts, that requires broadcasters to make discount ad rates available to political candidates and political issue groups year-round.

Federal law requires stations to

offer discount rates to candidates for the 45 days before a primary election and 60 days before a general election; no discounts are required for political issue advertising.

The High Court last week also permitted tv and radio stations to air commercials financed by the tobacco industry without disclosing the industry as the sponsor.

The court turned aside a petition from a California antismoking group contending that broadcasters should have identified ads placed by "Californians Against Regulatory Excess" as tobacco industry advertising.

The CARE group was formed, with heavy funding from the industry, to defeat a 1980 state referendum calling for mandatory "no-smoking" areas in most enclosed public places in the state.

JOHN E. JAYME JR.

LEESBURG, FLA.—John E. Jayme Jr., 78, founder of the Jayme Organization, died here Nov. 22.

Before launching the Jayme Organization, a Cleveland advertising agency, in 1947, he worked for Westinghouse Electric Corp. and Goodyear Tire & Rubber Co.

He served as chairman and president of the agency from its founding in 1965, and continued as chairman through 1972, when he sold his interest to key associates.

BERNARD A. MITCHELL

CHICAGO—Bernard A. Mitchell, founder of Jovan Inc., the Chicago-based fragrance company, died here Dec. 5. He was 71.

Mr. Mitchell gained recognition in the fragrance business when he launched Jovan in 1968, which marketed Musk Oil and later extended its line to include such products as Oil of Mink, Sport Scent, Sex Appeal, Man by Jovan and Woman by Jovan fragrances. Mr. Mitchell sold Jovan to British-based Beecham Group Ltd. for \$85 million in 1979.

Before founding Jovan, Mr. Mitchell founded and headed Mitchell Manufacturing Co., which marketed fluorescent desk lamps and air conditioning units, and later formed Fulton Industries, an industrial conglomerate.

Coffee ad probe sought

WAILUKU, HAWAII—A consumer group here has asked the National Advertising Division of the Council of Better Business Bureaus to investigate claims made in the Advertising to Woman-created campaign for the National Coffee Assn.

The group, Consumerwatch, has challenged the NCA ad's contention that coffee has a calming effect on people. Earlier this month, the Center for Science in the Public Interest, a Washington-based consumer group, urged the Federal Trade Commission to investigate a number of claims made in food advertising, including the NCA ads (AA, Dec. 5).

Aimed at 18-to-34-year-olds who grew up on soft drinks with caffeine, the NCA ads claim that coffee "picks you up and calms you down," ending with the message, "Join the coffee achievers."

"Yes, there is an inquiry and we have responded," said NCA spokesman Bill Brooks. He declined further comment.

The yearlong \$20 million campaign is using tv and cable exclusively. Flights are running on all three networks and on three syndicated shows: "Thicke of the Night," "Solid Gold" and "Fame." Three cable services are also in the media mix: MTV: Music Television, USA Cable Network's "Night Flight" series and WTBS' "Night Tracks."

The ads are clearly upbeat: Rock music entreats consumers to "hold on tight to your dreams." The camera cuts quickly to a variety of celebrities, including singers David Bowie and Joe Jackson, Cincinnati Bengals quarterback Ken Anderson, marathon runner Allison Roe, the singing group Heart, author Kurt Vonnegut and actresses Cicely Tyson and Jane Curtin.

However, the claims about coffee's calming attributes are based on attitudinal research between 1961 and 1979, rather than clinical scientific study, the Hawaiian group contends.

Minneapolis a hot
agency town - Page 3

Learning computer
animationese - Magazine



Janie Fricke: From jingles
to country stardom - Magazine

Advertising Age

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\$1.25 a copy; \$50 a year

The International Newspaper of Marketing • In Two Sections, Section 1.

December 19, 1983

Atari founder develops revolutionary tv

By TOM BAYER

SUNNYVALE, CAL.—Officials of Atari founder Nolan Bushnell's Catalyst Technologies Inc. are quietly showing investors, programing executives and major advertisers a "smart black box" that is being described as the first innovation in tv since the advent of tv itself.

The company claims the revolutionary development has the po-

tential to engulf advertisers, the tv industry and consumers in a futuristic new world much earlier than had been imagined.

Its developers believe the system—named ACTV and pronounced "active"—could thrust consumers, advertisers and programers into a new interactive age.

Tv advertising could be aimed at homes with preselected demographics and psychographics; pres-

ent measurement techniques could become obsolete; tv programs could actively and instantly involve viewers, and education could change radically.

ACTV and its new technology have been enthusiastically endorsed by industry leaders who have seen the system in its rough, first-generation form.

Officials of Lucasfilm Ltd. have expressed interest in being a sup-

plier of programing. A major national consumer goods advertiser has expressed an interest in being a charter advertiser for ACTV, and in funding research to be conducted in a pilot city.

CT executives would not reveal the identity of the advertiser, pending contractual agreements and actual research plans.

ACTV is based on a sophisticated microprocessor that is attached to a

viewer's tv set, and on new methods of program production. Catalyst Technologies expects that within the next two years it will contract with programers and cable networks to produce and distribute this type of programing.

The development has the potential to eclipse Mr. Bushnell's own creation of Atari, which he introduced in 1972 with Pong and simi-

(Continued on Page 52)

last minute news

Squibb moves Theragran vitamins to O&M

PRINCETON, N.J.—Squibb Corp. will assign the \$8 million Theragran vitamin account to Ogilvy & Mather following a review that included incumbent Jordan, Case & McGrath and two other undisclosed agencies.

Izod parts company with Grey Advertising

NEW YORK—Izod LaCoste, a division of General Mills, and agency Grey Advertising have parted company. The makers of the alligator shirt apparently have not yet named a new agency for the estimated \$2 million account.

Ogilvy talking with Rolf Werner Rosenthal

NEW YORK—Rolf Werner Rosenthal, one of the last major independent medical communications agencies, is now in merger discussions with Ogilvy & Mather International. The negotiations concern a stock exchange. RWR would "operate separately but as a full member of OMI," a spokesman said. In 1982, Rosenthal reported a gross income of \$5.3 million on billings of \$38 million. A full announcement (or completion of negotiations) is expected in January.

(Continued on Page 8)

GM considers reorganization by car size, not brand name

By JESSE SNYDER

DETROIT—General Motors is eyeing sweeping organizational changes that would alter sharply the way its cars will be marketed, industry sources said.

The changes include creation of a "small-car" group consisting of Chevrolet and Pontiac and a "large-car" group composed of Buick, Oldsmobile and Cadillac. "In a year, you won't recognize GM," one observer said.

Each group would be headed by a group executive and would take over the marketing and administrative functions, to the extent of having single marketing staffs—one for Chevrolet and Pontiac, for example.

But the changes would also allow for authorizing more dual dealerships, in which a dealer could structure his inventory by consumer segment and across car group lines. For example, Pontiac could be teamed frequently with Buick to appeal to "expressive" or "style-

conscious" car buyers. Chevy and Olds often would be paired at the dealership level to attract those who prefer conservative styling.

Cadillac, at the top of the price ladder, would continue to be marketed separately most often.

A GM spokesman declined comment on any plans. He did say that "about 15 months ago we announced the appointment of John Debbink, former general manager of Delco Moraine division, to coordinate a corporate organizational review. That review goes on and there is absolutely nothing to report from it. We said this group would look at the whole organization and in time get back."

Under the reported plan, Chevrolet and Pontiac would offer nothing larger than an intermediate-size car such as the A-body Chevy Celebrity-Pontiac 6000.

Buick, Olds and Cadillac (BOC) would lose their

(Continued on Page 52)

Divested Bells head into uncharted terrain

By ROBERT RAISSMAN

In the world's largest business reorganization in history, at midnight on Dec. 31, AT&T will divest itself of its wholly owned telephone companies and \$154 billion in assets, giving birth to seven new and independent regional holding companies.

With that move, AT&T itself plunges into a market that already has in a short time become one of the most competitive ever. While much has been made of that, not much attention has been focused on the 22 regional phone companies, now reorganized and operating under the new holding companies.

The new year finds them wrestling with a number of communications problems, not the least of which is shaping advertising messages to a somewhat puzzled public.

The entire advertising process is changing for these companies and a lot is at stake. They have to explain why their customers may be getting six different telephone bills, who they must call if a telephone line snaps, who to call if the phone is out of order.

These external communications challenges, and new marketing challenges likely to come, will keep a steady stream of advertising coming from the 22 general ad agencies that now serve them (see accompanying chart at right).

According to ad managers at the regional phone companies, the budgets to be funneled through agencies will remain low for the present.

(Continued on Page 53)

Ma Bell babies' agencies

BELLSOUTH		Bell Atlantic	
Bell South (corporate)	Burton-Campbell	Bell Atlantic (corporate)	Bozell & Jacobs, Ketchum
Southern Bell	Tucker Wayne & Co.	Bell Atlantic Mobile Systems	Lewis, Gilman & Kynett
Southern Central Bell	Luckie & Forney	Bell of Pennsylvania	Lewis, Gilman & Kynett
NYNEX		Chesapeake & Potomac (all areas)	Ketchum
Nynex (corporate)	Young & Rubicam	Diamond State Telephone	Lewis, Gilman & Kynett
Nynex Business Systems	Cabot Advertising	New Jersey Bell	Bozell & Jacobs
New York Telephone	Young & Rubicam	Southwestern Bell	
New England Telephone	Cabot Advertising	Southwestern Bell (corporate)	Gardner
PACIFIC TELESIS		Southwestern Bell Telecommunications	D'Arcy-MacManus & Masius
Pacific Telesis (corporate)	Foot, Cone & Belding	Southwestern Bell Publications	Gardner Advertising
Pac-Tel Communication	Ketchum Communications	Southwestern Bell Mobile Systems	Bozell & Jacobs/Southwest
Pac-Tel Mobile Access	No agency	Southwestern Bell	D'Arcy-MacManus & Masius
Pac-Tel Publishing	No agency	AMERITECH	
Pacific Telephone	Foot, Cone & Belding	Ameritech (corporate)	J. Walter Thompson USA
USWEST		Ameritech Mobil Communications	Compton
US West (corporate)	Fallon McElligott Rice	Ameritech Communications	No agency
Mountain States	Tracy-Locke/BBDO	Ameritech Publishing	No agency
Northwestern Bell	Bozell & Jacobs	Ameritech Development	No agency
	Bermudez Associates (Hispanic)	Illinois Bell	N W Ayer
Pacific Northwest Bell	Chiat/Day		Vince Cullers (Minority-Black)
First Tel	Bozell & Jacobs		OMAR (Minority-Hispanic)
NewVector	BBDO	Michigan Bell	Ross Roy
InterLine	Fallon McElligott Rice	Indiana Bell	Prime Handley & Miller
US West Direct	No agency	Ohio Bell	Marschall
		Wisconsin Bell	Cramer-Krasselt

"I have advertising ready that will have. . .
the others running for shelter."

— Brian B. Sullivan, New England Telephone

Top auto ad execs shift at Ford, K&E

DETROIT—The new year will find some auto marketing veterans missing and at least one new face, as Edsel Ford moves to advertising manager of Ford division.

A number of marketing executive changes were made at Ford last week.

In the Chrysler Corp. ad-executive suite, John J. Morrissey is leaving as chairman of Kenyon & Eckhardt here after five years. The Birmingham, Mich.-based operation will now be headed by Peter Dimsey, exec vp-manager.

Mr. Morrissey joined K&E from Ford division general marketing manager back when Chrysler's survival was in doubt.

"There is no question Chrysler has turned the corner. But I wouldn't want to spend that five years over again," Mr. Morrissey said in an interview.

His contract with K&E had run out. "Both sides lived up to our agreement, and the time has come to do some other things in advertising and marketing," he said.

There have been no talks with Chrysler, he said, and J. Walter Thompson USA, where he worked before joining Ford, "does not beckon again."

At Ford/Motor, there were a number of executive changes in addition to the new position of Mr. Ford.

Ross Roberts is moving to general marketing manager of the Lincoln-Mercury division, from Ford division market representation manager, and B.J. Coughlan shifts to general sales manager (Continued on Page 52)

Edsel Ford knows the ads he likes

By RALPH GRAY

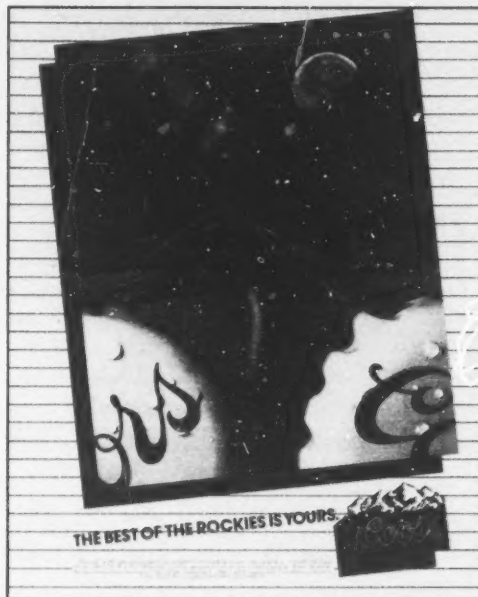
Edsel B. Ford II is moving into advertising and marketing on his way to making the Ford, name on the Ford Motor Co. buildings stand for his.

Edsel Ford is the great-grandson of founder Henry Ford, and last week was named advertising manager of the Ford division. He was marketing product plans manager.

Douglas T. McClure, who was Ford division ad manager, becomes ad director of the Ford corporate marketing staff, a vacant position.

"Getting the opportunity to go into advertising is a rounding process that I believe in the long run is going to benefit me," Mr. Ford said in an interview. "I'm a product man and I'm excited about having the opportunity to create messages that talk about the great stuff we've got."

Mr. Ford has been marketing product plans manager of (Continued on Page 52)



Controversial print ad for Coors beer.

Coors pulls campus ads

GOLDEN, COLO.—William Coors, chairman of Adolph Coors Co., has ordered the discontinuation of a print ad campaign that he believes is "tasteless" and improperly using sex to sell Coors beer.

The color ad appears in the Dec. 22 issue of *Rolling Stone*.

That ad features a surrealistic view of a swimsuit-clad female perched between two Coors bottle caps. Coors offers a poster for \$2. The ad uses Coors' flagship theme: "The best of the Rockies is yours."

Foot, Cone & Belding, Chicago, created the ad, which is part of a two-pronged print campaign aimed at the college market. Other ads depict "physically fit" males and females in similar settings, says a Coors spokesman.

Mr. Coors reportedly ordered the campaign's end after agreeing with complaints aired in a letter to him from the editor of the *University of Colorado Daily*, who charged the ads were tasteless and using sex to sell a product.

Regardless, the poster campaign has had a "four-to-one" favorable response from those who have contacted the brewery, said the company. #

Quaker rolls snack 'candy'

By JANET NEIMAN

Quaker Oats Co.'s long-awaited encore to its Chewy Granola Bars will come in February, when the company begins marketing nationally new Granola Dipsps.

The four-item line of milk chocolate-covered, chewy-style granola bars will be backed by \$24 million in advertising.

For nearly a year, Quaker chairman William Smithburg has been hinting about additions to Quaker's lineup in the wholesome snack products category (AA, Feb. 28).

The Granola Dipsps line includes all four flavors in which Chewy originally was introduced: Chocolate chip, honey & oats, peanut butter and raisin & almond.

Dipsps is said to have a slightly crispier texture than Chewy, and one trade source likened the taste

to Hershey Foods' Whatchamacallit candy bar.

While retailers appear predisposed to take on the new line, several say they are faced with shelf-space problems. In western regions and some parts of the Midwest, the Dipsps introduction follows a roll-out of General Mills' Nature Valley Chewy Granola Bar.

Some buyers say they will be exchanging Dipsps for some of the hard-texture Nature Valley products; others may eliminate Carnation's Trail Mix granola bars and some of Hershey's New Trail line.

Foreseeing heavy demand for Granola Dipsps, one retail buyer fears Quaker will run into supply problems if it goes through with a national introduction in February.

When Quaker Chewy debuted on the East and West Coasts in 1981, Quaker was forced to pull the

line out of eastern markets and put it on allocation in the West because of supply problems.

Dipsps represents Quaker's second salvo at General Mills' leading position in the nearly \$300 million granola bar category.

Quaker has made at least one obvious change in its marketing strategy this time around—choosing a name that could not be copied by Nature Valley.

The \$24 million in support being pledged for Dipsps tops the \$20 million budget Quaker promised when it introduced Chewy, as well as the \$17 million General Mills said it would spend on Nature Valley Chewy.

Tv, heavy couponing and newspaper ads will accompany the introduction. Quaker-owned Ad-Com is believed to have the Granola Dipsps assignment. #

highlights

Monday, December 19, 1983

The U.S. government has changed its policy on ad accounts to channel more work to minority shops and allow agencies longer contract periods. See Page 6.

International Ladies' Garment Workers' Union is launching a new campaign to encourage consumers to buy American-made products. See Page 10.

Polaroid plans to introduce Supercolor videocassettes into the U.S. next month. See Page 10.

Arby's will ring in the new year with its new breakfast menu. See Page 10.

USA Today is preparing its crucial big push for advertising in 1984. See Page 12.

Ladies' Home Journal celebrates 100 years of publication. See Page 12.

Beecham Inc. is asking the Federal Trade Commission to lift the cease-and-desist order banning its "tired blood" Geritol ad. See Page 14.

The National Advertising Division of the Council of Better Business Bureaus challenged ad claims of nine marketers last month. See Page 14.

Ziebart Rustproofing Co. is expanding its advertising beyond its "us or rust" claim to include its

diversified services. See Page 34.

E-Com, the U.S. Postal Service's electronic mail medium, is drawing criticism. See Page 48.

Time Inc. gets more involved in magazine development, adding staff and funding to its efforts. See Page 55.

First-quarter spot tv is proceeding briskly for some, but slightly below initial projections for others. See Page 56.

CORPORATE CLOSEUP

Pizza Hut president Arthur Gunther in 3½ years has increased the PepsiCo subsidiary's profits 600%, tripled ad spending and organized local ad co-ops, changing the company from a product-oriented to a marketing-driven organization. See Page 4.

INTERNATIONAL

Multinational advertising agencies and marketers, many of whom went into 1983 with uncertain prospects for international growth, are finding that their forecasts were exceeded by wide margins. See Page 30.

Japanese voters who streamed to the polls today to determine who will form their next

government have not yet had to face one American export: U.S.-style political campaigning. See Page 30.

A U.S.-U.K. doll war has broken out this Christmas in Britain between Mattel Toys' Barbie and Pedigree Toy Group's Cindy. And it's a contest that is likely to extend beyond the holidays and into the rest of Europe. See Page 30.

VIDEOTECH

National Cable Television Assn. Cable Programming Conference's main topic was the need for cable to do a better consumer marketing job. See Page 40.

McCann-Erickson will be positioning cable as a must for active people who value leisure time as it takes on the Council on Cable Information's account. See Page 40.

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GE plans new drive via Chiat

By PAUL SLOAN

Early next year, General Electric will begin its first business-to-business campaign in 30 years.

The campaign will aim to serve all the company's various operations with the obvious exception of consumer products.

Observers expect the campaign gradually will increase in scope as GE strives to position itself on the leading edge of high technology for the 1980s. One source noted GE is communicating that on a small scale, "but it's going to get much bigger."

With industry spending for capital improvements on the upswing, the GE campaign will be timely.

The initial \$5 million effort created by Chiat/Day, New York, will portray GE's divisions as synergistic units that are advantageous to do business with.

GE said it was not ready to comment on its new ad plans yet. Bart Snider, project manager of corporate marketing, also was vague about the fate of business commercials being aired by consumer agency BBDO. Shown on such programming as "Monday Night Football" and "60 Minutes," these spots began two years ago as extensions of its consumer campaign. #